

Department of State

Washington

February 13, 1958

Mr. Walter C. Sauer
Executive Vice President
Export-Import Bank of Washington
Washington 25, D. C.

Dear Mr. Sauer:

In your letter to me dated December 6, 1957, you set forth the particulars of two requests from United States exporters for the Bank's participation in financing sales to purchasers in Finland and requested advice as to whether or not the assistance of the Bank would be barred because of the provisions of the Mutual Defense Assistance Control Act of 1951. The Bank is advised that the credits referred to in your letter do not constitute "assistance" within the meaning of the Battle Act.

On January 26, 1958, the Secretary of State placed the responsibility for administering the Mutual Defense Assistance Control Act on the Deputy Under Secretary of State for Economic Affairs, Mr. Douglas Dillon. As a simultaneous action I have been relieved of my duties as a Deputy Director for ICA and have been transferred to the Department of State as Deputy Administrator of the Battle Act. My staff (MDAC) has also been transferred and will operate exactly as it has in the past. The Office of the Legal Adviser of the Department of State has provided me with an opinion which supports my response to your inquiry.

Your letter of November 19 addressed to Mr. Elmer B. Staats, Executive Officer, Operations Coordinating Board, was referred to me on February 6 for reply. This letter raises questions with respect to the so-called "Cooley Amendment". After consulting the Office of the Department's Legal Adviser, I hope soon to be in a position to respond to that letter.

Yours very truly,

/s/ W. S. DeLany
Deputy Administrator for the
Mutual Defense Assistance Control Act

State Dept. declassification & release instructions on file